

Assembly Bill No. 8

Passed the Assembly February 15, 2008

Chief Clerk of the Assembly

Passed the Senate February 15, 2008

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2008, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 22954 of the Education Code, to amend Sections 17522, 17560, and 17568 of, and to add Section 69614.3 to, the Government Code, relating to state operations, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 8, Committee on Budget. State operations.

(1) Under the Teachers' Retirement Law, a continuous appropriation equal to 2.5% of total creditable compensation, as specified, is annually made from the General Fund for transfer to the Supplemental Benefit Maintenance Account in the Teachers' Retirement Fund to fund purchase power protection payments to retired members of the Defined Benefit Program of the State Teachers' Retirement System.

This bill would provide that transfers made from the General Fund to the Supplemental Benefit Maintenance Account, pursuant to these provisions, for the 2008–09 fiscal year, shall be made on November 1, 2008.

(2) The California Constitution provides that whenever the Legislature or any state agency mandates a new program or higher level of service on any local agency or school district, the state shall reimburse the local agency or school district for the cost of implementing the mandate. Statutory provisions establish procedures for filing a reimbursement claim with the Commission on State Mandates, including the option of filing an estimated reimbursement claim during the fiscal year in which costs are incurred, or a claim for reimbursement of actual costs after they are incurred.

This bill would eliminate the option of filing an estimated reimbursement claim and make conforming changes.

(3) Existing law specifies the number of judges for the superior court of each county. Existing law authorizes 50 additional judges upon appropriation by the Legislature in the 2006–07 fiscal year, and 50 additional judges upon appropriation by the Legislature in the 2007–08 fiscal year, to be allocated to the various county

superior courts, pursuant to uniform criteria approved by the Judicial Council.

This bill would specify the appointment schedule, upon appropriation by the Legislature, for the allocation of the 100 additional new judges provided for in the above provisions.

(4) The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on January 10, 2008.

This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on January 10, 2008, pursuant to the California Constitution.

(5) This bill would declare that it is to take effect immediately as an urgency statute.

The people of the State of California do enact as follows:

SECTION 1. Section 22954 of the Education Code is amended to read:

22954. (a) Notwithstanding Section 13340 of the Government Code, a continuous appropriation is hereby annually made from the General Fund to the Controller, pursuant to this section, for transfer to the Supplemental Benefit Maintenance Account in the Teachers' Retirement Fund.

(b) The total amount of the appropriation for each year shall be equal to 2.5 percent of the total of the creditable compensation of the fiscal year ending in the immediately preceding calendar year upon which members' contributions are based for purposes of funding the supplemental payments authorized by Section 24415.

(c) Transfers made to the Supplemental Benefit Maintenance Account, pursuant to subdivision (a), for the 2008–09 fiscal year, shall be made on November 1, 2008.

(d) The board may deduct from the annual appropriation made pursuant to this section an amount necessary for the administrative expenses of Section 24415.

(e) It is the intent of the Legislature in enacting this section to establish the supplemental payments pursuant to Section 24415 as vested benefits pursuant to a contractually enforceable promise to make annual contributions from the General Fund to the

Supplemental Benefit Maintenance Account in the Teachers' Retirement Fund in order to provide a continuous annual source of revenue for the purposes of making the supplemental payments under Section 24415.

SEC. 2. Section 17522 of the Government Code is amended to read:

17522. (a) "Initial reimbursement claim" means a claim filed with the Controller by a local agency or school district for costs to be reimbursed for the fiscal years specified in the first claiming instructions issued by the Controller pursuant to subdivision (b) of Section 17558.

(b) "Annual reimbursement claim" means a claim for actual costs incurred in a prior fiscal year filed with the Controller by a local agency or school district for which appropriations are made to the Controller for this purpose.

(c) "Entitlement claim" means a claim filed by a local agency or school district with the Controller for the purpose of establishing or adjusting a base year entitlement. All entitlement claims are subject to Section 17616.

SEC. 3. Section 17560 of the Government Code is amended to read:

17560. Reimbursement for state-mandated costs may be claimed as follows:

(a) A local agency or school district may, by February 15 following the fiscal year in which costs are incurred, file an annual reimbursement claim that details the costs actually incurred for that fiscal year.

(b) In the event revised claiming instructions are issued by the Controller pursuant to subdivision (c) of Section 17558 between November 15 and February 15, a local agency or school district filing an annual reimbursement claim shall have 120 days following the issuance date of the revised claiming instructions to file a claim.

SEC. 4. Section 17568 of the Government Code is amended to read:

17568. If a local agency or school district submits an otherwise valid reimbursement claim to the Controller after the deadline specified in Section 17560, the Controller shall reduce the reimbursement claim in an amount equal to 10 percent of the amount that would have been allowed had the reimbursement claim been timely filed, provided that the amount of this reduction shall

not exceed ten thousand dollars (\$10,000). In no case shall a reimbursement claim be paid that is submitted more than one year after the deadline specified in Section 17560.

SEC. 5. Section 69614.3 is added to the Government Code, to read:

69614.3. Upon appropriation by the Legislature, the 100 additional new judges provided for in Sections 69614 and 69614.2 shall be allocated to the various county superior courts, pursuant to the following appointment schedule:

(a) On or before June 30, 2008, 40 additional judges shall be appointed.

(b) On or after July 1, 2008, 10 additional judges shall be appointed.

(c) On or after June 1, 2009, 50 additional judges shall be appointed.

SEC. 6. This act addresses the fiscal emergency declared by the Governor by proclamation on January 10, 2008, pursuant to subdivision (f) of Section 10 of Article IV of the California Constitution.

SEC. 7. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the revisions made by this act to the administration of the state's operations to occur as soon as possible, it is necessary that this act take effect immediately.

Approved _____, 2008

Governor